

107 FERC ¶ 61,310
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
Nora Mead Brownell, and Joseph T. Kelliher.

Electric Quarterly Reports	Docket No. ER02-2001-003
Abacus Group, Ltd.	Docket No. ER98-4240-002
Allied Companies, LLC	Docket No. ER00-2363-001
American Energy Savings, Inc.	Docket No. ER00-1975-001
American Energy Trading, Inc.	Docket No. ER97-360-013
American Power Reserve Marketing	Docket No. ER97-1428-006
Anker Power Services, Inc.	Docket No. ER97-3788-010
Applied Resources Integrated Services, Inc.	Docket No. ER97-2604-007
APRA Energy Group, Inc.	Docket No. ER97-1643-001
Bonneville Fuels Management Corp.	Docket No. ER96-659-017
Brennan Power, Inc.	Docket No. ER97-1630-004
BTU Power Corporation	Docket No. ER96-1283-008
Canal Emirates Power International, Inc.	Docket No. ER00-741-002
CNB/Olympic Gas Services	Docket No. ER95-964-011
Coast Energy Group	Docket No. ER99-3005-003
Community Electric Power Corporation	Docket No. ER97-2792-010
Connecticut Energy Cooperative, Inc.	Docket No. ER01-1279-002
CPS Capital, Limited	Docket No. ER96-1798-006
Credit Suisse First Boston International	Docket No. ER01-2656-001
Electric Lite, Inc.	Docket No. ER97-4427-004
Electrical Associates Power Marketing, Inc.	Docket No. ER97-4173-001
Energy Resource Marketing, Inc.	Docket No. ER94-1580-022
Energy Trading Company, Inc	Docket No. ER00-2248-001
Energy Transfer Group, LLC	Docket No. ER96-280-016
Energy Unlimited, Inc.	Docket No. ER98-1622-008

Energy2, Inc.	Docket No. ER96-3086-011
EOPT Power Group Nevada, Inc.	Docket No. ER01-1897-002
Equinox Energy, LLC	Docket No. ER98-1486-004
Essential Utility Resources, LLC	Docket No. ER00-1453-001
FINA Energy Services Company	Docket No. ER97-2413-012
Fortistar Power Marketing, LLC	Docket No. ER98-3393-006
FPH Electric, LLC	Docket No. ER99-3142-001
Gateway Energy Marketing	Docket No. ER96-795-011
Global Energy & Technology, Inc.	Docket No. ER97-3416-006
Hafslund Energy Trading, LLC	Docket No. ER98-2535-004
Haleywest, LLC	Docket No. ER01-1760-002
High Island Marketing, Inc.	Docket No. ER97-4787-001
Hubbard Power & Light, Inc.	Docket No. ER96-2583-002
Industrial Gas & Electric Services Co.	Docket No. ER95-257-020
International Energy Ventures, Inc.	Docket No. ER98-4264-001
International Utility Consultants Inc.	Docket No. ER96-594-006
J.D. Enterprises	Docket No. ER96-2435-001
JMF Power Marketing	Docket No. ER98-3433-005
K Power Company, Inc.	Docket No. ER95-792-014
Kamps Propane, Inc.	Docket No. ER98-1148-006
Kibler Energy Ltd	Docket No. ER96-1119-008
Lakeside Energy Services, LLC	Docket No. ER99-505-005
Manner Technologies, LLC	Docket No. ER97-135-001
Millennium Energy Corporation	Docket No. ER98-174-007
Minnesota Agri-Power, LLC	Docket No. ER99-1184-002
Multi-Energies USA, Inc.	Docket No. ER96-203-004
NXIS, LLC	Docket No. ER97-778-004
Omni Energy	Docket No. ER98-3344-001
Pacific Energy & Development Corp.	Docket No. ER98-1824-009
PG Energy PowerPlus	Docket No. ER98-1953-006

Polaris Electric Power Company, Inc.	Docket No. ER98-1421-006
Power Clearinghouse, Inc.	Docket No. ER95-914-013
Power Fuels, Inc.	Docket No. ER96-1930-011
Power Systems Group Inc.	Docket No. ER97-3187-002
Powerline Controls, Inc.	Docket No. ER96-1754-001
PowerMark, LLC	Docket No. ER96-332-008
PowerNet G.P.	Docket No. ER94-931-016
Powertec International, LLC	Docket No. ER96-1-018
Prairie Winds Energy, Inc.	Docket No. ER95-1234-017
Proven Alternatives, Inc.	Docket No. ER95-473-012
Quantum Energy Resources, Inc.	Docket No. ER96-947-015
Quinnipiac Energy, LLC	Docket No. ER01-40-001
R. Hadler and Company, Inc.	Docket No. ER97-3056-004
Rainbow Power USA LLC	Docket No. ER98-3012-002
Reliable Energy, Inc.	Docket No. ER98-3261-003
Revelation Energy Resources Corporation	Docket No. ER97-765-008
Ruffin Energy Services, Inc.	Docket No. ER95-1047-011
Russell Energy Services Company	Docket No. ER96-2882-014
Salem Electric, Inc.	Docket No. ER98-2175-008
Sandia Resources Corporation	Docket No. ER99-4044-001
SDS Petroleum Products, Inc.	Docket No. ER96-1724-010
Shamrock Trading, LLC	Docket No. ER98-3526-007
Southeastern Energy Resources, Inc.	Docket No. ER95-385-010
Sundance Energy	Docket No. ER01-1496-001
SuperSystems, Inc.	Docket No. ER96-906-009
Texas-Ohio Power Marketing, Inc.	Docket No. ER94-1676-017
Torco Energy Marketing, Inc.	Docket No. ER92-429-020
United Regional Energy, L.L.C.	Docket No. ER97-2900-002
US Gas & Electric	Docket No. ER02-517-003
USPower Energy, LLC	Docket No. ER01-36-002

UTIL Power Marketing Inc.	Docket No. ER97-3306-003
Utilimax.com, Inc.	Docket No. ER00-1408-001
UtiliSource Corporation	Docket No. ER98-1829-009
UtiliSys Corporation	Docket No. ER97-2426-004
Utility Management & Consulting, Inc.	Docket No. ER96-525-012
VTEC Energy Inc.	Docket No. ER95-1855-012
Wasatch Energy Corporation	Docket No. ER97-1248-005
Wheeled Electric Power Co.	Docket No. ER96-1150-003
Woodruff Energy	Docket No. ER97-3526-006
Working Assets Green Power, Inc.	Docket No. ER96-2914-007
Xenergy, Inc.	Docket No. ER97-2517-009
XERXE Group, Inc.	Docket No. ER98-1823-005

INTENT TO REVOKE MARKET-BASED RATE AUTHORITY

(Issued June 23, 2004)

1. Section 205 of the Federal Power Act (FPA), 16 U.S.C. § 824d (2000), accord 18 C.F.R. Part 35 (2003), requires that all rates, terms and conditions of jurisdictional services be filed with the Commission. In Order No. 2001,¹ a final rule establishing revised public utility filing requirements for rates, terms and conditions of jurisdictional services,² the Commission required public utilities, including power marketers, to file, among other things, Electric Quarterly Reports summarizing the contractual terms and conditions in their agreements for all jurisdictional services (including market-based power sales, cost-based power sales, and transmission service) and transaction

¹Revised Public Utility Filing Requirements, Order No. 2001, 67 Fed.Reg. 31043, FERC Stats. & Regs. & 31,127 (April 25, 2002), reh'g denied, Order No. 2001-A, 100 FERC & 61,074, reconsideration and clarification denied, Order No.2001-B, 100 FERC & 61,342, order directing filings, Order No. 2001-C, 101 FERC & 61,314 (2002).

²Order No. 2001, FERC Stats. & Regs. & 31,127 at P 11-12, 18-21.

information (including rates) for short-term and long-term market-based power sales and cost-based power sales during the most recent calendar quarter. In Order No. 2001-C,³ the Commission required public utilities to file their Electric Quarterly Reports using software provided by the Commission. Commission staff review of the Electric Quarterly Report submittals has revealed that a number of public utilities that previously had been granted authority to sell power at market-based rates have failed to file Electric Quarterly Reports. Accordingly, this order notifies those public utilities that their market-based rate authorizations will be revoked unless they comply with the Commission's requirements.

2. In Order No. 2001, the Commission stated that,

[i]f a public utility fails to file a[n] Electric Quarterly Report (without an appropriate request for extension), or fails to report an agreement in a report, that public utility may forfeit its market-based rate authority and may be required to file a new application for market-based rate authority if it wishes to resume making sales at market-based rates.[⁴]

3. The Commission further stated that,

[t]he Electric Quarterly Reports are designed to satisfy the FPA section 205(c) requirements. For power marketers, the Electric Quarterly Report is intended to replace the current filing of Quarterly Transaction Reports summarizing their market-based rate transactions and the filing of long-term agreements. Electric Quarterly Reports are also intended to replace the Quarterly Transaction Reports and rate filings required of traditional utilities with market-based rate authority. Once this rule becomes effective, the requirement to comply with this rule will supersede the conditions in public utilities' market-based rate authorizations and failure to comply with the requirements of this rule will subject public utilities to the same

consequences they would face for not satisfying the conditions in their rate authorizations, including possible revocation of their authority to make wholesale power sales at market-based rates.[⁵]

³Order No. 2001-C, 101 FERC & 61,314 at P 9.

⁴Order No. 2001, FERC Stats. & Regs. & 31,127 at P 222.

⁵Id. at P 223.

4. Commission staff has determined that a number of public utilities that had been granted market-based rate authority have failed to file their Electric Quarterly Reports.⁶ Commission staff has made a concerted effort to contact all of the non-filing utilities listed in the caption by letter, by email and by telephone to inform them of their regulatory obligation. On April 24, 2003, the Secretary of the Commission sent letters to 423 companies reminding them that they were required to file the Electric Quarterly Report. The letters stated:

[w]ithin thirty (30) days of the date of this letter, your company utility must file Electric Quarterly Reports for the 2nd, 3rd, and 4th Quarters of 2002 and the 1st Quarter of 2003. Failure to do so may result in the Commission's revocation of your market-based rate authority in accordance with Order No. 2001. . . . Please provide your immediate attention to this important compliance matter.⁷

5. Most of the public utilities listed in the caption of this order were sent this letter. In some cases, the letters were returned unopened. Commission staff called the power marketer contacts on file and searched Commission records and the Internet to identify alternate addresses and contacts. Where an alternate address or contact could be identified, a second letter and/or an e-mail was sent, or phone calls were made. Most of these inquiries also received no response. Notwithstanding efforts to find the non-filing public utilities listed in the caption of this order to remind them of their filing obligations, they have not complied with the requirement to file Electric Quarterly Reports.

6. Accordingly, the market-based rate authorizations for those public utilities identified in the caption of this order will be revoked unless they comply with the Commission's requirements.

The Commission orders:

(A) Within 30 days of the date of issuance of this order, each public utility listed in the caption of this order shall file its Electric Quarterly Reports for the 2nd, 3rd, and

⁶In many cases, the utilities had previously failed to file Power Marketer Quarterly Reports (the predecessor to the Electric Quarterly Reports).

⁷Letter informing Abacus Group Ltd, et al., that to date their Electric Quarterly Reports had not been filed and requesting that the reports for the 2nd, 3rd, and 4th quarters of 2002, et al., be filed within 30 days (April 24, 2003).

4th Quarters of 2002, the 1st, 2nd, 3rd, and 4th Quarters of 2003 and the 1st and 2nd Quarters of 2004. If a public utility fails to make this filing, the Commission will revoke that public utility's authority to sell power at market-based rates and terminate its electric market-based rate tariff. Upon expiration of the filing deadline in this order, the Secretary shall promptly issue a notice, effective on the date of issuance, listing the public utilities whose tariffs have been terminated.

(B) The Secretary is hereby directed to publish this order in the Federal Register.

By the Commission. Commissioner Kelly not participating.

(S E A L)

Linda Mitry,
Acting Secretary.